

HOUSE BILL No. 1316

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-5-43.

Synopsis: Sales tax holiday. Provides a sales tax exemption for certain clothing, computers, school art supplies, and school supplies that are purchased during the three day period from the first Friday in August through the following Sunday.

Effective: April 1, 2008 (retroactive).

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January 15, 2008, read first time and referred to Committee on Ways and Means.

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Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

HOUSE BILL No. 1316

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-2.5-5-43 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 APRIL 1, 2008 (RETROACTIVE)]: **Sec. 43. (a) This section applies**
4 **to transactions occurring during the three (3) day period beginning**
5 **at 12:01 a.m. on the first Friday in August and ending at 11:59 p.m.**
6 **on the following Sunday.**

7 **(b) As used in this section, "clothing" means all human wearing**
8 **apparel for general use, including the following:**

- 9 (1) **Bathing caps.**
10 (2) **Belts and suspenders.**
11 (3) **Coats and jackets.**
12 (4) **Diapers.**
13 (5) **Dresses.**
14 (6) **Footwear.**
15 (7) **Gloves or mittens.**
16 (8) **Hats or caps.**
17 (9) **Neckties.**



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- 1 (10) Pants.
- 2 (11) Scarves.
- 3 (12) Shirts.
- 4 (13) Skirts.
- 5 (14) Socks or hosiery.
- 6 (15) Undergarments.
- 7 (16) Uniforms.
- 8 (c) As used in this section, "school art supply" means any of the
- 9 following items commonly used by a student in a course of study
- 10 for artwork:
- 11 (1) Clay and glazes.
- 12 (2) Paints, limited to the following:
- 13 (A) Acrylic.
- 14 (B) Tempora.
- 15 (C) Oil.
- 16 (3) Paintbrushes for artwork.
- 17 (4) Sketch and drawing pads.
- 18 (5) Watercolors.
- 19 (d) As used in this section, "school supply" means an item
- 20 commonly used by a student in a course of study. The term is
- 21 limited to the following:
- 22 (1) Binders.
- 23 (2) Book bags.
- 24 (3) Calculators.
- 25 (4) Cellophane tape.
- 26 (5) Blackboard chalk.
- 27 (6) Compasses.
- 28 (7) Composition books.
- 29 (8) Crayons.
- 30 (9) Erasers.
- 31 (10) Folders, limited to the following:
- 32 (A) Expandable folders.
- 33 (B) Pocket folders.
- 34 (C) Plastic folders.
- 35 (D) Manila folders.
- 36 (11) Glue, paste, and paste sticks.
- 37 (12) Highlighters.
- 38 (13) Index cards.
- 39 (14) Index card boxes.
- 40 (15) Legal pads.
- 41 (16) Lunch boxes.
- 42 (17) Markers.

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(18) Notebooks.

(19) Paper, limited to the following:

(A) Loose leaf ruled notebook paper.

(B) Copy paper.

(C) Graph paper.

(D) Tracing paper.

(E) Manila paper.

(F) Colored paper.

(G) Poster board.

(H) Construction paper.

(20) Pencil boxes and other school supply boxes.

(21) Pencil sharpeners.

(22) Pencils.

(23) Pens.

(24) Protractors.

(25) Rulers.

(26) Scissors.

(27) Writing tablets.

(e) Sales of the following tangible personal property are exempt from the state gross retail tax during the period described in subsection (a):

(1) An article of clothing having a sales price that does not exceed one hundred dollars (\$100).

(2) A computer having a sales price that does not exceed one thousand five hundred dollars (\$1,500).

(3) A school supply having a sales price that does not exceed one hundred dollars (\$100).

(4) A school art supply having a sales price that does not exceed one hundred dollars (\$100).

(f) The department may adopt rules under IC 4-22-2 to implement this section.

SECTION 2. An emergency is declared for this act.

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